



Report to the Legislature

**MENTAL HEALTH SYSTEM
ADMINISTRATIVE REDUCTION STUDY**

Chapter 323, Laws of 2001
Section 20, PV

October 1, 2002

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TABLE OF CONTENTS

EXECUTIVE SUMMARY	I
DIRECTIVE TO PERFORM THE STUDY	1
GOALS OF THE STUDY	1
ORGANIZATIONS INCLUDED IN THE STUDY	1
DATA	2
DATA ANALYSIS	3
NEW FEDERAL REQUIREMENTS	4
RECOMMENDATIONS.....	5
APPENDICES	6

EXECUTIVE SUMMARY

Chapter 323, Laws of 2001, Section 20 directed the Department of Social and Health Services (DSHS) to develop and implement a plan to reduce administrative expenses in the community mental health system to ten percent of available funds. The Governor vetoed this section due to the short timeframe allowed for the development and implementation of the plan and directed the Department to conduct a study and make recommendations by October 1, 2002.

The Department's Mental Health Division (MHD) was assigned to conduct the one-time study that would cover the fiscal period from January 2001 to December 2001. MHD worked with the Regional Support Networks (RSNs) and mental health providers to gather information regarding administrative expenses. During the course of the study, MHD realized that the accounting/information system of the RSNs and providers does not generate sufficient uniform data to draw specific conclusions about administrative reductions.

In addition, federal legislation that will be implemented in the near future creates new requirements in the mental health system. These requirements will increase administrative expenses.

The MHD is moving towards an outcome-based performance measurement system. This system is supported by the 1999 JLARC Mental Health System Performance Audit and is funded by the legislature. While it would be possible to set up a uniform accounting and information system for RSNs and mental health providers, such a system would be costly and would not give comprehensive information on system performance.

The Mental Health Division will continue to promote data consistency and the use of outcomes to manage the system.

DIRECTIVE TO PERFORM THE STUDY

Chapter 323, Laws of 2001, Section 20 directed the Department of Social and Health Services (DSHS) to develop a plan to reduce administrative expenses in the community mental health system, including the mental health division, to no more than ten percent of available funds. It required the plan to identify and prioritize core administrative functions that must be continued to comply with federal or state statutes.

This section was vetoed by the Governor. The veto message read in part:

“Minimizing administrative costs is an important goal for any program. But the Secretary of DSHS advises me that developing a realistic plan to achieve that goal for the mental health system as a whole will take longer than seven months, in part because it requires the active participation of mental health providers and Regional Support Networks. The legislature’s intent to see a plan implemented in July 2003 allows enough time to develop such a plan properly. Therefore, I have vetoed section 20, and direct DSHS to work with appropriate stakeholders to complete the plan, and make recommendations to me and to the legislature by October 1, 2002.”

GOALS OF THE STUDY

- ⇒ **Identify administrative functions** or activities within the community mental health system
- ⇒ **Identify federal and state regulations** requiring the activity or function
- ⇒ **Prioritize functions** according to what is required by regulation
- ⇒ **Identify the impact of reducing administrative expenses** to 10 percent of available resources in the community mental health system.

ORGANIZATIONS INCLUDED IN THE STUDY

1. Mental Health Division (MHD)
2. The Regional Support Networks (RSN)

- | | |
|--------------------------------------|-----------------|
| • Chelan-Douglas | • North Sound |
| • Clark County | • Peninsula |
| • Grays Harbor | • Pierce County |
| • Greater Columbia Behavioral Health | • Southwest |

- King County
- North Central Washington
- Northeast Washington
- Spokane County
- Thurston-Mason
- Timberlands

3. RSN contracted mental health providers

DATA

A request for information was sent out to the RSNs to be forwarded to mental health providers on April 12, 2002. The information requested included a complete revenue and expenditure (R&E) report for calendar year 2001. This includes detailed revenues by fund sources and detailed administrative expenditures by business functions (payroll, accounts payable, business planning, etc.). Also requested was a list of federal or state rules and regulations requiring the RSNs and providers to perform the administrative functions.

For purposes of the study, the following definitions applied:

Administrative costs means costs for the general operation of the public mental health system. These costs include contracting, fiscal, accounting, general clerical support, legal, facility, activities of Boards of Directors and similar operating costs. It also includes allowable costs or services provided by central units (county government, etc.) allocated in accordance with the RSN's cost allocation plan.

Available resources means funds appropriated for the purpose of providing community mental health programs (resource management services, community support services, community inpatient services and other mental health services) including federal, state and local funds. This does not include funds appropriated for the purpose of operating and administering the state psychiatric hospitals.

Community mental health system includes public or private agencies providing or administering public mental health services.

Mental Health Division means the designee of the Washington State Department of Social and Health Services to administer the state mental health program. The division consists of the following sections.

1. Western State Hospital
2. Eastern State Hospital
3. Child Study and Treatment Center
4. Central Office

The information received can be broken down into four categories:

1. Some detailed administrative expenditures for the RSNs and their providers

Greater Columbia RSN, North Central RSN, Peninsula RSN, and Thurston-Mason RSN provided information that fit into this category. However, Greater Columbia RSN's report (Appendix A, page A-6) provided a partial breakdown of both RSNs and the providers. A large part of their administrative expenditure is not explained. North Central RSN (Appendix A, pages A-8 through A-12) could provide one provider's detailed administrative expenditures. Peninsula RSN (Appendix A, page A-14) did not provide information for RSN expenditures, but the two main providers responded to the request.

2. Detailed administrative expenditure for the RSNs but not for providers

Chelan-Douglas RSN, North Sound RSN, and Timberlands RSN provided information that fit into this category.

3. List of activities included in the administrative category without the dollar amount attached to them

Clark County RSN, Northeast Washington RSN, Pierce County RSN, and Spokane County RSN provided information that fit into this category.

4. R&E report without detail of the administrative expenditure

Grays Harbor RSN, King County RSN, and Southwest RSN provided information that fit into this category.

The State Auditor's Office requires local governments to use the Budgeting, Accounting, and Reporting System (BARS). Expenditures are broken down per BARS objects (Appendix B, page B-1). Although some RSNs were able to provide detailed information on their administrative expenditures, they were unable to break down the information by business functions, as requested, because this is not required of current systems under BARS.

Since providers are either private organizations or not-for-profit (non-governmental) organizations, there is no requirement to use the BARS system. Consequently, providers did not have the information broken down into the same categories as the RSNs.

DATA ANALYSIS

Since there is significant variation in the level of data received from the RSNs, data analysis relies heavily on the R&E reports. These are mandated reports

submitted by RSNs to the MHD every six months. For MHD information, the data is based on the department Financial Reporting System (FRS) reports.

From the information reported by the RSNs, providers and the Mental Health Division, the available funds for the community mental health system are \$404,152,720 for calendar year 2001. The total administrative expenditure reported is \$53,567,818 of which \$37,405,832 was at the provider level. (See Appendix B, page B-5 for detailed information.)

Of the available information, the largest category among the administrative expenses is salary and benefits.

Based on the data received, the current level of administrative expenditures is approximately 13.25 percent of available funds. Of the 13.25 percent, the providers' administration represents 9.26 percent of available funds. RSN administration and MHD administration are 2.55 percent and 1.45 percent respectively. MHD does not consider these to be firm figures because of the wide variation in the data received.

Based on these 2001 calendar year figures, a reduction in the administrative expenses in the community mental health system to 10 percent would require a reduction of approximately 3.25 percent of the total available funds or, approximately \$13 million. This \$13 million reduction would equate to a 24.55 percent reduction of total administrative expenses.

The department does not recommend that any action be taken based on these figures. Without better uniform data, there is no way to identify the activities that could be eliminated or reduced.

NEW FEDERAL REQUIREMENTS

There are two new federal requirements that will go into effect over the next year: the Balanced Budget Act of 1997 (BBA), and the Health Insurance Portability and Accountability Act of 1996 (HIPAA).

The BBA, which must be implemented by August 13, 2003, will require that both the state and the RSNs as prepaid health plans have protections in place for clients enrolled in managed care programs. The mental health system will need to publish extensive benefit brochures, have expedited grievance and fair hearing processes, provide for oral and written translation, develop quality strategies and performance indicators, and increase monitoring. None of these requirements have been mandated to the mental health system in the intense manner that they are now being prescribed by the Code of Federal Regulations. Therefore, the costs of these services have not been incurred by the prepaid health plans or by MHD and are not included in the administration costs of the system. The estimated system cost of complying with the BBA for Fiscal Year 2004 is \$6,140,899 and, \$6,324,824 for Fiscal Year 2005.

HIPAA, with provisions effective as early as April 14, 2003, will require standardizing the interchange of electronic data for specified administrative and financial transactions and will require protecting the security and confidentiality of electronic health information. There are four key areas that will impact the mental health system: electronic transactions and code sets, privacy, unique identifiers, and security. It is anticipated that HIPAA will be costly to implement at all levels of the system.

RECOMMENDATIONS

1. Curtail administrative reductions while new federal requirements are being implemented.

If the community mental health system were to reduce administrative expenses to 10 percent of available funds, administration would have to be cut an estimated 3.25 percent of available funds. This equates to a reduction of 24.55 percent of administrative expenses. It would not be possible to meet basic administrative functions of the system with such a reduction.

Due to variation in the local data and changes imposed on the mental health system by BBA and HIPAA, the department recommends that no further action be taken at this time. Any significant reduction in administrative costs would most likely come from the provider level and may affect how the system serves clients.

2. Continue development of performance-based outcomes to measure system effectiveness.

The department's Mental Health Division is moving towards an outcome-based performance measurement system. This system, supported by the 1999 JLARC Mental Health System Performance Audit, has been funded by the legislature. While it would be possible to set up a uniform accounting and information system for RSNs and mental health providers, such a system would be costly and would not give comprehensive information on system performance. The performance outcome system is expected to give system-wide information. An initial report is due to the legislature on October 1, 2002. Regular reports on system performance will be published starting in June of 2003.

As MHD moves forward with performance measures, the scope of this report will be broadened to incorporate more cross-system and outcome measures. The report will look at consumer improvement and recovery over time and create benchmarks, incentives and goals for the performance of the public mental health system. This performance measurement system will be used to

monitor the mental health system, improve the quality of mental health care and plan for future service needs.

3. Continue to promote uniform accounting and information from local systems.

The department will continue to promote uniform information/accounting data systems that would enable the RSNs and their providers to capture information in a more consistent and accountable manner. Systems that allow the breakdown of information by business functions would enable the RSNs, providers and MHD to make better decisions regarding cost reduction and could, in turn, develop more efficient ways to conduct business.

APPENDIX A - RSN DATA

Figure 1 Chelan-Douglas RSN (Jan – June 2001).....	A-1
Figure 2 Chelan-Douglas RSN (July - Dec 2001).....	A-2
Figure 3 Clark County RSN.....	A-3
Figure 4 Clark County RSN (continued).....	A-4
Figure 5 Grays Harbor RSN.....	A-5
Figure 6 Greater Columbia RSN.....	A-6
Figure 7 King County RSN.....	A-7
Figure 8 North Central WA RSN.....	A-8
Figure 9 North Central WA RSN (Adams County)	A-10
Figure 10 North Central WA RSN (Grant County).....	A-11
Figure 11 North Central WA RSN (Okanogan County).....	A-12
Figure 12 North Sound RSN	A-13
Figure 13 Northeast WA RSN	A-15
Figure 14 Peninsula RSN.....	A-16
Figure 15 Pierce County RSN.....	A-17
Figure 16 Southwest RSN.....	A-18
Figure 17 Spokane County RSN.....	A-19
Figure 18 Thurston-Mason RSN	A-20
Figure 19 Thurston-Mason RSN (continued).....	A-21
Figure 20 Timberlands RSN	A-22

APPENDIX B – BARS MANUAL EXCERPT AND RSN DATA ANALYSIS

Figure 21 BARS Manual	B-1
Figure 22 RSN Data Analysis.....	B-5

Figure 1 Chelan-Douglas RSN (Jan – June 2001)

Chelan-Douglas RSN
Cost Allocation
RSN Provider Network Expenditures
(for use in MHD quarterly reporting)

"JANUARY THRU JUNE 2001"	Indirect Costs		Subtotal
	RSN Administration	Provider Administration	
Salaries / Benefits *allocated*	\$56,875.67		\$56,875.67
Office Supplies	\$6,906.93		\$6,906.93
Fuel	\$253.40		\$253.40
Minor Equipment	\$324.25		\$324.25
Behavioral Health Clinic		\$90,698.06	\$90,698.06
Catholic Family & Child Service		\$19,400.24	\$19,400.24
Children's Home Society		\$26,400.33	\$26,400.33
Incentives/Bonuses/Flex Funds		\$12,571.67	\$12,571.67
Aging & Adult Care			\$0.00
Medicaid Personal Care			\$0.00
Alliance for Mentally Ill			\$0.00
Community Collaboration			\$0.00
QMOC/QRT			\$0.00
DCFS-IFPS			\$0.00
DCFS-FPS			\$0.00
DCFS-ITC			\$0.00
DCFS-SAY			\$0.00
BDS/PCI	\$20,702.90		\$20,702.90
Community Resource Consortium			\$0.00
Consulting/Interpreting			\$0.00
ITC Exceptional Care			\$0.00
FBG--Rural Consortium			\$0.00
Christopher House			\$0.00
Flexible Funds			\$0.00
Rainbow Funds			\$0.00
FBG--Promise Club			\$0.00
Wenatchee Valley Clinic			\$0.00
Temporary services			\$0.00
Communications	\$7,545.11		\$7,545.11
Travel	\$10,033.08		\$10,033.08
Advertising	\$378.00		\$378.00
Leases - Springwater aptmts			\$0.00
Leases/Rentals - RSN office/Ombuds ofc	\$15,584.61		\$15,584.61
Utilities - Springwater aptmts			\$0.00
Utilities - RSN office/Ombuds office	\$406.09		\$406.09
R & M - Springwater aptmts			\$0.00
R & M - RSN office/Ombuds office	\$185.60		\$185.60
Dues,registrations,printing,training	\$4,809.96		\$4,809.96
State Auditor	\$2,275.20		\$2,275.20
Douglas County MIS	\$0.00		\$0.00
Capital Equipment	\$25,811.15		\$25,811.15
Totals	\$152,091.96	\$149,070.30	\$301,162.25

14.40%

\$164,663.62

Figure 2 Chelan-Douglas RSN (July - Dec 2001)

Chelan-Douglas RSN
Cost Allocation
RSN Provider Network Expenditures
(for use in MHD quarterly reporting)

"JULY THRU DECEMBER 2001"	Indirect Costs		
	RSN Administration	Provider Administration	Subtotal
Salaries / Benefits *allocated*	\$60,393.48		\$60,393.48
Office Supplies	8,852.85		\$8,852.85
Fuel	746.95		\$746.95
Minor Equipment	4,210.43		\$4,210.43
Behavioral Health Clinic		157,341.38	\$157,341.38
Catholic Family & Child Service		24,836.00	\$24,836.00
Children's Home Society		29,098.01	\$29,098.01
Performance Measures Qtrly Incentives		2,591.64	\$2,591.64
Children's Capacity Bonus		6,304.46	\$6,304.46
Provider Flexible Funds			\$0.00
Program Development			\$0.00
Aging & Adult Care			\$0.00
Medicaid Personal Care			\$0.00
Alliance for Mentally Ill			\$0.00
Community Collaboration projects			\$0.00
DCFS-IFPS			\$0.00
DCFS-FPS			\$0.00
DCFS-ITC			\$0.00
DCFS-SAY			\$0.00
QMOC/QRT/Mgmt Team			\$0.00
BDS/PCI Software			\$0.00
Community Resource Consortium			\$0.00
Consulting & Interpreting			\$0.00
ITC Exceptional Care			\$0.00
Rural Consortium			\$0.00
Christopher House			\$0.00
Flexible Funds			\$0.00
Rainbow Funds			\$0.00
Wenatchee Valley Clinic			\$0.00
Temporary Services	517.14		\$517.14
Communications	7,917.01		\$7,917.01
Travel	14,255.02		\$14,255.02
Advertising	2,343.83		\$2,343.83
Leases - Springwater aptmts			\$0.00
Leases/Rents - RSN office/Ombuds office	11,392.63		\$11,392.63
Utilities - Springwater aptmts			\$0.00
Utilities - RSN office/Ombuds office	388.80		\$388.80
R & M - Springwater aptmts			\$0.00
R & M - RSN office	286.34		\$286.34
Dues,registrations,printing,training	4,167.85		\$4,167.85
State Auditor Svcs	1,102.05		\$1,102.05
Do.Co. MIS Computer Support	10,908.94		\$10,908.94
Capital Equipment	2,957.05		\$2,957.05
Totals	130,440.37	220,171.49	\$350,611.86
			13.46%
			\$139,336.47

Figure 3 Clark County RSN

Clark County Department of Community Services					
RSN Revenues and Expenses					
For the Year ended December 31, 2001					
Request/Instructions:					
<p>* Revenues – We can use the amounts reported by the RSNs on the R&E reports. However, we need a confirmation that the information reported in the R&E reports are complete. If you have any revenues that you did not report or was not sure if you should report, please give us the additional information. For the purpose of this study, revenues should include all sources received by the RSN, even if these revenue sources are not reported on the R&E report.</p>					
Revenues					
Six Month Report: January 2001 - June 2001	9,292,179				
Six Month Report: July 2001 - December 2001	8,842,435				
Total Revenues Reported for 2001	18,134,614				
Request/Instructions:					
<p>* Expenses – We are trying to identify the current level of administrative expenses for both the RSNs and their providers. We need to gather information of administrative expenses broken down into specific administrative activities/functions (payroll, accounting, planning, contract, contract monitoring, etc.). In association with each activity/function, the regulation (Federal, State, WAC, RCW, etc.) or contract term that requires performance of such activity. If such information is not readily available, provide as much as you can. If the amount of funding dedicated to each activity is not available, a list of activities is still needed, even without funding amounts. If the requirement to perform the activity is not apparent, you can provide the benefit gained by each identified administrative activity.</p>					
Administrative Expenses					
	1/01 - 6/2001	7/01 - 12/2001		Total	
RSN Administration	373,272	599,786		973,058	
Provider Administration**	411,239	493,619		904,858	
	784,511	1,093,405		1,877,916	
<p>** The provider administration was under-reported in the initial part of the year, the process was changed during the year to more accurately capture the provider administration in the general ledger. This was addressed with Wendi Gunther at DSHS after the submission of the six-month report for December.</p>					
<p>Note: Administration functions are not tracked in our GL system. There is no way to detail out the amounts of administration attributable to payroll, accounting, planning, contracting, or contract monitoring. In addition, I am not aware of any record keeping that would link those costs to a specific regulation requiring us to perform those functions. This would be a great deal of record keeping.</p>					
<p>The administrative costs include salary and benefits for staff performing administrative duties. It also includes supplies, travel, professional services and other general office expenses for those staff.</p>					

Figure 4 Clark County RSN (continued)

	<u>Account Codes</u>	<u>Total Calendar Yr 2001</u>	<u>Six Months 7/1/2001 to 12/31/2001 Total</u>	<u>Six Months 1/1/2001 to 6/30/2001 Total</u>
Revenues				
Revenues from MHD:				
Outpatient--Non-Medicaid (State)	334	\$ 5,896,213	\$ 2,701,296	\$ 3,194,917
Outpatient--Prepaid Health Plan (PHP)	338	7,651,230	4,195,828	3,455,402
Damages		-	-	-
Inpatient--Prepaid Health Plan (PHP) ¹	338	2,887,503	1,394,612	1,492,891
E&T (Provided by the RSN)		-	-	-
Hospital (Provided by MHD)		-	-	-
Cash Payment made by MHD		-	-	-
Federal Mental Health Block Grant	333.99.58	207,730	117,948	89,782
Local:				
Maintenance of Effort	310-390	20,000	10,000	10,000
Other Local Funds	310-390	514,398	131,223	383,175
Other:				
Intergovernmental	338	-	-	-
Interest	361.11	320,321	175,205	145,116
Direct Mental Health Federal Grants	331	-	-	-
Other Federal Grants	333.97.78	88,691	88,691	-
Other Revenues	389	56,028	27,632	28,396
		492,500	-	492,500
Total		\$ 18,134,614	\$ 8,842,435	\$ 9,292,179
Expenditures				
Direct Service Costs:				
Outpatient Treatment	564.21	\$ 10,152,329	\$ 5,084,576	\$ 5,067,753
Residential	564.22	652,712	649,101	3,611
Employment	564.23	84,800	14,432	70,368
Inpatient Treatment ¹	564.24	300,000	-	300,000
E&T (Provided by RSN)		-	-	-
Hospital (Provided by MHD)		-	-	-
Crisis & Commitment Services	564.25	1,724,748	1,083,379	641,369
ITA Judicial	564.26	340	180	160
Ombudsman	564.27	56,013	23,721	32,292
Other Direct Costs	564.28	131,448	131,448	-
Direct Service Support Costs:				
Utilization Management and Quality Assurance	564.31	144,600	142,879	1,721
Information Services	564.32	62,623	53,497	9,126
Public Education	564.33	131,093	118,188	12,905
Other Direct Service Support Costs	564.34	-	-	-
Administrative Costs:				
RSN Administration	564.11	973,058	599,786	373,272
Provider Administration	564.12	904,858	493,619	411,239
Other Administrative Costs	564.13	-	-	-
Total		\$ 15,318,622	\$ 8,394,806	\$ 6,923,816
Analysis of Costs				
		<u>Total 2001</u>	<u>2nd Half 2001</u>	<u>1st Half 2001</u>
Total Administration Costs		1,877,916	1,093,405	784,511
Expenses (excluding Administration)		13,440,706	7,301,401	6,139,305
Administration as a Percent of Expenses		14%	15%	13%
Administration as a Percent of Revenues		10%	12%	8%

Figure 5 Grays Harbor RSN

	Account Codes	Amount	2001 Total	Details
Revenues				
Revenues from MHD:			\$ 5,255,752	
Integrated--Non-Medicaid (State)	334	\$ 28,792.00		
Integrated--Prepaid Health Plan (PHP)	338	\$ 294,243.00		
Outpatient--Non-Medicaid (State)	334	\$ 63,975.00		
Outpatient--Prepaid Health Plan (PHP)	338	\$ 3,959,651.00		
Inpatient--Prepaid Health Plan (PHP) ¹	338	\$ 849,091		
E&T (Provided by the RSN)				
Hospital (Provided by MHD)	321,673.00			
Cash Payment made by MHD	527,418.00			
Federal Mental Health Block Grant	333.99.58	\$ 60,000.00		
Local:			\$ 49,802	
Maintenance of Effort	310-390	\$ 49,802.00		
Other Local Funds	310-390	\$ -		
Other:			\$ 114,101	
Intergovernmental	338	\$ -		
Interest	361.11	\$ 53,312.00		
Direct Mental Health Federal Grants	331	\$ -		
Other Federal Grants	333.97.78	\$ -		
Other Revenues	389	\$ 60,789.00		ECS
Total		\$ 5,419,655	\$ 5,419,655	
Expenditures				
Direct Service Costs:			\$ 4,261,600	
Outpatient Treatment	564.21	\$ 2,830,482.00		Include MPC
Residential	564.22	\$ 70,326.00		
Employment	564.23	\$ 53,837.00		
Inpatient Treatment ¹	564.24	\$ 358,340		
E&T (Provided by RSN)		\$ -		
Hospital (Provided by MHD)	334,265.00	\$ -		
Liquidate Damages	24,075.00	\$ -		
Crisis & Commitment Services	564.25	\$ 863,741.00		
ITA Judicial	564.26	\$ 4,160.00		
Ombudsman	564.27	\$ 19,998.00		
Other Direct Costs	564.28	\$ 60,716.00		
Consumer Clubhouse	50,716	\$ -		
Housing Project	10,000	\$ -		
		\$ -		
Direct Service Support Costs:			\$ 116,196	
Utilization Management and Quality Assurance	564.31	\$ 50,639.00		
Information Services	564.32	\$ 47,578.00		
Public Education	564.33	\$ 13,402.00		
Other Direct Service Support Costs	564.34	\$ 4,577.00		
		\$ -		
Administrative Costs:			\$ 986,995	
RSN Administration	564.11	\$ 116,987.00		
Planning				
Coordination				
Fiscal and Contract Monitoring				
Accounting				
General Clerical Support				
Facility				
Provider Administration	564.12	\$ 870,008.00		
Agency Administration				
Program management/monitoring				
Accounting/record keeping				
General Clerical Support				
Other Administrative Costs	564.13	\$ -		
Total		\$ 5,364,791	\$ 5,364,791	
Administrative Costs as % of Total Revenues				18.21%
Admin Contractual Limit				20.00%
Difference				1.79%
Direct Service Support Costs and Administrative Costs as % of Total Revenues				20.36%

Figure 6 Greater Columbia RSN

GCBH Admin Reduction Information

Prepared May 8, 2002

		Available RSN/MHD Contract Funding	40,000,000	
		RSN Regional Office	398,066	
		County Admin Costs		574,942
		Provider Admin Costs		4,335,439
Category	Activity	GCBH Regional Office	Provider Network & Counties	WAC/Contract/Etc.
Protocol/Agreement/Allied System	Protocol Development	15,000	5,000	Contract
Protocol/Agreement/Allied System	Protocol Progress Reports	750		Contract
Protocol/Agreement/Allied System	Allied System Agreement Development	10,000		Contract
Protocol/Agreement/Allied System	Hospital Agreement Development	5,000		Contract/WAC
Protocol/Agreement/Allied System	ESH Agreement Development	2,000		Contract
Protocol/Agreement/Allied System	DDD Collaboration	1,500		Contract
Protocol/Agreement/Allied System	JRA Agreement	500		Contract
Protocol/Agreement/Allied System	Allied System Collaborative/Planning Meetings		100,000	Contract
Plans	QM Plan Development	8,000		Contract
Plans	Marketing Plan Development	3,500		Contract
Plans	Grievance Plan Development	3,500		Contract
Plans	Fraud & Abuse Plan Development	2,000	2,000	
MHD Integrated Review/licensing review	MHD Integrated Review Admin	4,000	7,500	
State Workgroups	Outcome Workgroup Participation	1,500	500	JLARC
State Workgroups	PI Workgroup Participation	4,000	500	JLARC
Meeting Participation	RSN Administrator/ACHS MHD Mtgs	4,500	8,500	
Contract Review MHD/RSN	GCBH MHD Contract/Amendments Review	5,000	1,000	
State Workgroups	ISDEC Workgroup Participation	6,500		
State Workgroups	BARS Workgroup Participation	400	400	
State Workgroups	Prevalence Workgroup Participation	1,500		Legislature
State Workgroups	SIG IV Workgroup	2,000		MHD Strategic Plan
Meeting Participation	ESH Consortium Meetings	4,000	3,000	
MHD Studies	PCG Study	1,200	500	
MHD Studies	JLARC Children's Study	1,200	500	
MHD Studies	Admin Study Request	300	-	
Discharge & ECS	Ready For Discharge Wkpg Participation/Follow-Up	10,000	2,500	
Discharge & ECS	ECS Planning Participation	2,500		
HIPPA	HIPPA Policy Development	10,000	75,000	Federal
Fiscal Qtly Reporting	Quarterly Financial Compilation/Development	6,000	10,000	Contract
FBG Monitoring/Reporting	FBG Monitoring/Reporting	5,000	10,000	Contract/Federal
FBG Plans	FBG Plans To MHD	3,000	2,000	Contract
Annual Report To MHD	Annual Report To MHD	2,000		Contract
Plans	7.01 Plan Development/Review	3,000	500	Contract
Regional Advisory Board	Regional Advisory Board	20,000		Contract/Statute
Regional Advisory Board	RAB Staff Participation/Coordination/Notes	4,500		
Fiscal: RSN State Audit	GCBH State Audit	11,000		Contract/Single Audit
Subcontractor Contract Audit	GCBH Subcontractor Contract Audits	36,000	6,000	Contract/WAC
Subcontractor Contract Audit	GCBH Crisis System Site Visits	25,000	4,000	Contract/WAC
Licensing Review	Assist MHD On licensing Review	4,250		
QRT Reg Office Admin Support	QRT Admin Staff Support	4,000		
Ombuds Reg Office Admin Support	Ombuds Admin Staff Support	1,000		
GCBH Committees/Workgroups/Meetings	QMOC Meetings	6,000	3,000	MHD QM Template
GCBH Committees/Workgroups/Meetings	Children's Oversight Committee Meetings	1,150	3,600	Contract
Deliverable Reporting Other	Deliverable Reporting Information Collection/Compilation	5,000	5,000	Contract
		Total		
Admin Costs Per Above		247,250	251,000	498,250
Other Operating Admin Costs (Admin Staff/Agency Operating Costs)		150,816	4,084,439	4,235,255
Total Admin Costs		398,066	4,335,439	4,733,505
10% of Available Resources = \$4,000,000				

Figure 7 King County RSN

King County Regional Support Network

Revenue & Expenditure Report

	Account Codes	KC 1H01	KC 2H01	Total 2001	
Revenues					
Revenues from MHD:					
Outpatient--Non-Medicaid (State)	334	\$ 10,159,897.09	\$ 9,067,433.71	\$ 19,227,330.80	Consolidated
Outpatient--Prepaid Health Plan (PHP)	338	\$ 27,666,076.41	\$ 28,883,335.50	\$ 56,549,411.91	PHP out
Inpatient--Prepaid Health Plan (PHP) ¹	338			\$ 12,693,014.70	PHP in (revised by stae)
E&T (Provided by the RSN)			-		
Hospital (Provided by MHD)		\$ 5,707,761.66	5,974,879.77		
Reconciliation Payment (Provided by MHD)		\$ 1,014,011.43	(3,638.16)		
Federal Mental Health Block Grant	333.99.58		\$ 1,642,159.32	\$ 1,642,159.32	FBG & WAMI
Local:					
Maintenance of Effort	310-390	\$ 767,705.50	\$ 767,703.00	\$ 1,535,408.50	MOE
Other Local Funds	310-390	\$ 572,317.02	\$ 473,575.65	\$ 1,045,892.67	Milliage & CX-MOE
Other:					
Intergovernmental	338	\$ 1,047,800.00	\$ 1,907,877.17	\$ 2,955,677.17	CJ, DYS, City, SPS, MIO, DCFS, DMIO, IPEP, Student w/Gun
Interest	361.11	\$ 447,248.20	\$ 488,158.75	\$ 935,406.95	Interest
Other Reimbursements--Third Party Fees				\$ -	
Direct Mental Health Federal Grants	331	\$ 192,704.73	\$ 957,311.44	\$ 1,150,016.17	Fed Child Grant
Other Federal Grants	333.97.78	\$ 52,312.98	\$ 134,487.00	\$ 186,799.98	PATH & add. Fed
Other Revenues	389			\$ -	
Other Revenues-ECS			\$ 159,526.00	\$ 159,526.00	
Total		\$ 47,627,835.02	\$50,452,809.15	\$ 98,080,644.17	
Expenditures					
Direct Service Costs: 564.20					
Outpatient Treatment	564.21				
Residential	564.22	\$ 2,750.00	13,503.00	\$ 16,253.00	KC Housing
Employment	564.23				
Inpatient Treatment and E&T ¹	564.24				
E&T (Provided by RSN)					
Hospital (Provided by MHD)					
Reconciliation Amount (Provided by MHD)					
Crisis & Commitment Services	564.25	\$ 1,756,009.49	1,796,421.20	\$ 3,552,430.69	CCS (no admin nor legal)
ITA Judicial	564.26	\$ 623,166.64	841,334.24	\$ 1,464,500.88	CCS Leagal
Ombudsman	564.27	\$ 33,893.46	33,893.46	\$ 67,786.92	OMBUDS
Other Direct Costs	564.28	\$ 324,218.75	345,299.88	\$ 669,518.63	DASA+Fed Child (admin), Muckleshoot& Consultant
Direct Service Support Costs: 564.30					
Utilization Mgmt. and Quality Assurance	564.31	\$ 34,833.36	23,846.38	\$ 58,679.74	QRT
Information Services	564.32	\$ 148,080.38	144,579.88	\$ 292,660.26	KC admin share of IS
Public Education	564.33		75,386.40	\$ 75,386.40	WAMI
Other Direct Service Support Costs	564.34				
Administrative Costs: 564.10					
RSN Administration	564.11	\$ 829,616.84	1,443,826.33	\$ 2,273,443.17	
Provider Administration	564.12				
Other Administrative Costs	564.13				
Total		\$ 3,752,568.92	\$ 4,718,090.77	\$ 8,470,659.69	

Figure 8 North Central WA RSN

	Account Codes	Amount	Total 2001
Revenues			
Revenues from MHD:			
Outpatient--Non-Medicaid (State)	334	\$ 233,946.69	\$ 9,985,189.58
Outpatient--Prepaid Health Plan (PHP)	338	\$ 7,602,218.23	
Damages			
Inpatient--Prepaid Health Plan (PHP) ¹	338	\$ 2,030,590.03	
E&T (Provided by the RSN)			
Hospital (Provided by MHD)	663,139.17		
Cash Payment made by MHD	1,367,450.86		
Federal Mental Health Block Grant	333.99.58	\$ 107,481.59	
Gatekeepers	333.92.04	\$ 8,853.04	\$ -
DMIO	334.64.02	\$ 2,100.00	
Local:			
Maintenance of Effort	310-390	\$ -	
Other Local Funds	310-390	\$ -	
Other:			\$ 69,894.00
Intergovernmental	338		
Interest	361.11	\$ 69,894.00	
Direct Mental Health Federal Grants	331		
Other Federal Grants	333.97.78	\$ -	
Other Revenues - Third Party Fees	389	\$ -	
		\$ -	
Total		\$ 10,055,083.58	\$ 10,055,083.58
Expenditures			
Direct Service Costs:		564.20	\$ 10,136,850.53
Outpatient Treatment	564.21	\$ 9,167,534.14	
Suzanne Noble	13,085.75		
Philips & Philips	6,480.00		
Inpatient Hospital Diversion	364,325.72		
PHP	8,640,487.00		
Special Consumer Funds	2,220.25		
Aging/Adult Med Personal Care	16,744.84		
Fed. Block - Comm Support	121,190.58		
DMIO	3,000.00		
Residential	564.22	\$ 374,406.10	
Country Aire Home Care	14,338.08		
Patit Creek	14,684.99		
Quincy Inn	196,957.54		
Rose Garden Estates	52,045.19		
Christopher House	2,337.63		
Other Residential Care	35,611.78		
Housing Contingency	20,406.77		
Transitional Housing	38,024.12		
Employment	564.23	\$ 4,023.20	
Employment Supp. For SED Child & Adol.	4,023.20		
Inpatient Treatment ¹	564.24	\$ 541,436.56	
E&T (Provided by RSN)			
Hospital (Provided by MHD)	541,436.56		
Crisis & Commitment Services	564.25	\$ 12,583.73	
Quincy Inn - Crisis Respite	2,244.00		
Crisis Respite	10,339.73		
ITA Judicial	564.26	\$ 7,890.72	
Yakima - ITA Hearings	7,890.72		
Ombudsman	564.27	\$ 28,976.08	
Aging & Adult Care of CW	28,800.00		
Global Crossing	176.08		
Other Direct Costs	564.28		

	Account Codes	Amount	Total 2001
Direct Service Support Costs:	564.30		\$ 195,663.20
Utilization Management and Quality Assurance	564.31	\$ 125,195.64	
Salary	46,898.65		
Benefits	12,825.09		
Office Supplies	1.51		
Gasoline/Oil, etc.	271.36		
QRT Coordinator	2,137.77		
QRT Stipends	3,560.00		
Yakima Physicians	11,748.24		
Teleconference	2,826.60		
SCAN	721.42		
Language Line	541.50		
Cellular	140.66		
Travel - Resource Mgr.	907.66		
Travel - QRT Coordinator	1,178.75		
Travel - QRT/Advisory Brd.	2,294.43		
Children's Inpatient Authorization	17,682.00		
Gatekeepers	21,460.00		
Information Services	564.32	\$ 70,467.56	
Salary - IS Coordinator	39,245.90		
Benefits	9,033.15		
Office Supplies	204.17		
Gasoline/Oil, etc.	351.01		
Minor Equipment	9,378.97		
Internet/Fiber Services	349.46		
Travel - IS Coordinator	1,852.05		
MIS Upgrade	9,427.75		
Voicemail	625.10		
Public Education	564.33	\$ -	
Other Direct Service Support Costs	564.34	\$ -	
		\$ -	
		\$ -	
Administrative Costs:	564.10		\$ 165,282.11
RSN Administration	564.11	\$ 165,282.11	
Salary - Administrator/Office Mgr.	92,065.45		
Benefits	28,698.08		
Office Supplies	3,283.97		
Gasoline/Oil, etc.	517.28		
Custodial	1,398.75		
Miscellaneous Prof. Services	8,696.62		
Communication	1,333.83		
Travel	5,165.47		
Advertisements	1,696.57		
Office Rent	9,468.68		
Copier Rent	2,003.99		
WGEP Insurance	5,674.00		
Gasoline/Oil, etc.	517.28		
Utilities	1,719.29		
Maintenance/Repairs	1,457.23		
Miscellaneous Fees	1,469.90		
RSN Staff Training	985.72		
Theft Restitution	(870.00)		
Provider Administration	564.12	\$ -	
Other Administrative Costs	564.13	\$ -	
		\$ -	
		\$ -	
Total		\$ 10,497,795.84	\$ 10,497,795.84
Administrative Costs as % of Total Revenues			1.64%
Admin Contractual Limit			20.00%
Difference			18.36%
Direct Service Support Costs and Administrative Costs as % of Total Revenues			3.59%

Figure 9 North Central WA RSN (Adams County)

ADAMS COUNTY 1-1-01 thru 12-31=01

Revenues		2001			
Revenues from MHD:					
Outpatient--Prepaid Health Plan (PHP)	338	\$ 702,924.94			
Local:					
Maintenance of Effort	310-390	\$ 10,072.63			
Other Local Funds	310-390	\$ -			
Other:					
Interest	361.11	\$ 15,131.40			
Total		\$ 728,128.97			
JAN - DEC 2001	EXPENDITURE	ADMIN	DIRECTC SVC	DIRECT	TOTAL
	AMOUNT	COST	COST	SUPPORT	
64.10 SALARIES AND BENEFITS	\$ 393,616.79	\$ 43,633.78	\$ 236,226.40	\$ 113,756.61	\$393,616.79
64.31.01 OFFICE SUPPLIES	\$ 10,090.50	\$ 1,009.05	\$ 9,081.45	\$ -	\$ 10,090.50
64.31.02 CONSUMER FLEX FUNDS	\$ 1,187.57	\$ -	\$ 1,187.57	\$ -	\$ 1,187.57
64.31.03 TRANS. HOUSING SUPPLIES	\$ 715.09	\$ -	\$ 715.09	\$ -	\$ 715.09
64.31.04 SUPPLIES (RITZVILLE OFFICE)	\$ 784.99	\$ 78.50	\$ 706.49	\$ -	\$ 784.99
64.31.05 SUPPLIES (SPECIAL CONSUMERS FUNDS)	\$ -	\$ -	\$ -	\$ -	\$ -
64.31.06 SUPPLIES (HOUSING PROJECT)	\$ -	\$ -	\$ -	\$ -	\$ -
64.31.07 COMPUTER SUPPLIES	\$ 4,153.88	\$ -	\$ -	\$ 4,153.88	\$ 4,153.88
64.01.31.01 INTENSIVE HOSPITAL DIV. SUPPLIES	\$ -	\$ -	\$ -	\$ -	\$ -
64.32.01 AGENCY FUEL	\$ 2,378.96	\$ 237.90	\$ 2,141.06	\$ -	\$ 2,378.96
64.41.01 PROFESSIONAL CONSULTATIONS	\$ 12,600.00	\$ -	\$ 12,600.00	\$ -	\$ 12,600.00
64.41.02 NETWORK/DESKLAP COMPUTER SERVICES	\$ 15,300.00	\$ -	\$ -	\$ 15,300.00	\$ 15,300.00
64.41.03 CLIENT TRANSPORTATION	\$ -	\$ -	\$ -	\$ -	\$ -
64.41.04 COMPUTER SVC (Anasazi)	\$ 25,140.96	\$ -	\$ -	\$ 25,140.96	\$ 25,140.96
64.41.05 INTERPRETER SERVICES	\$ 461.25	\$ -	\$ 461.25	\$ -	\$ 461.25
64.41.07 PROF SVC OTHER	\$ 14,990.00	\$ -	\$ 14,990.00	\$ -	\$ 14,990.00
64.41.08 PROF SERVICES PROTOCOL (CRISIS LINE)	\$ 13,288.52	\$ -	\$ 13,288.52	\$ -	\$ 13,288.52
64.41.10 PROF. SERVICES (TOM STEBBINS)	\$ 5,752.28	\$ -	\$ 5,752.28	\$ -	\$ 5,752.28
64.42.01 COMMUNICATIONS (POSTAGE)	\$ 1,278.00	\$ 127.80	\$ 1,150.20	\$ -	\$ 1,278.00
64.42.02 CELLULAR PHONE	\$ 1,167.76	\$ -	\$ 1,167.76	\$ -	\$ 1,167.76
64.43.01 TRAVEL	\$ 1,331.21	\$ 1,331.21	\$ -	\$ -	\$ 1,331.21
64.43.02 MILEAGE REIMBURSEMENT	\$ 982.45	\$ 98.25	\$ 884.21	\$ -	\$ 982.45
64.43.03 TRAVEL & LODGING (COUNSELORS)	\$ 888.69	\$ -	\$ 888.69	\$ -	\$ 888.69
64.01.43.01 INTENSIVE HOS. DIV. TRANS.	\$ -	\$ -	\$ -	\$ -	\$ -
64.44.01 ADVERTISING	\$ 17,537.81	\$ -	\$ 17,537.81	\$ -	\$ 17,537.81
64.45.01 OFFICE RENT OTHER	\$ 4,800.00	\$ 4,800.00	\$ -	\$ -	\$ 4,800.00
64.01.45.01 INTENSIVE HOSP. DIV. HOUSING	\$ -	\$ -	\$ -	\$ -	\$ -
64.45.02 TRANS HOUSING RENT	\$ 3,600.00	\$ -	\$ 3,600.00	\$ -	\$ 3,600.00
64.45.03 CONSUMER RENT	\$ -	\$ -	\$ -	\$ -	\$ -
64.45.04 HOUSING RENT SUBSIDY	\$ 450.00	\$ -	\$ 450.00	\$ -	\$ 450.00
64.46.01 INSURANCE LIAB	\$ 3,166.26	\$ 3,166.26	\$ -	\$ -	\$ 3,166.26
64.46.02 INSURANCE DEDUCTIBLE	\$ -	\$ -	\$ -	\$ -	\$ -
64.47.01 GAS (TRANS. HOUSING)	\$ 472.00	\$ -	\$ 472.00	\$ -	\$ 472.00
64.47.02 ELECTRIC (TRANS. HOUSING)	\$ 127.40	\$ -	\$ 127.40	\$ -	\$ 127.40
64.47.03 ELECTRIC (RITZVILLE OFFICE)	\$ 1,110.07	\$ 1,110.07	\$ -	\$ -	\$ 1,110.07
64.48.01 BUILDING REPAIRS & MAINT	\$ 1,016.16	\$ 1,016.16	\$ -	\$ -	\$ 1,016.16
64.48.02 CAR R & M	\$ 1,563.71	\$ 1,563.71	\$ -	\$ -	\$ 1,563.71
64.49.01 DUES	\$ 3,010.74	\$ 3,010.74	\$ -	\$ -	\$ 3,010.74
64.49.02 FILING (ITA PAPERWORK)	\$ 127.76	\$ -	\$ 127.76	\$ -	\$ 127.76
64.49.03 TUITION	\$ 1,638.50	\$ 1,638.50	\$ -	\$ -	\$ 1,638.50
64.01.49.01 INSTENSIVE HOSP. DIV. TRAINING	\$ -	\$ -	\$ -	\$ -	\$ -
64.49.04 TUITION FOR COUNSELORS	\$ 2,744.97	\$ -	\$ 2,744.97	\$ -	\$ 2,744.97
64.49.05 AGENCY STATE CERT	\$ 281.00	\$ 281.00	\$ -	\$ -	\$ 281.00
64.49.07 COUNSELOR REG	\$ 191.00	\$ 191.00	\$ -	\$ -	\$ 191.00
64.91.01 ACCOUNTING SVC	\$ 3,268.00	\$ 3,268.00	\$ -	\$ -	\$ 3,268.00
64.91.02 UNEMPLOYMENT	\$ -	\$ -	\$ -	\$ -	\$ -
64.93.01 PHONE - COUNTY	\$ 18,685.00	\$ 1,868.50	\$ 16,816.50	\$ -	\$ 18,685.00
64.95.01 OFFICE RENT CTY	\$ 23,293.63	\$ 23,293.63	\$ -	\$ -	\$ 23,293.63
596.64.64.01 FURNITURE	\$ 289.98	\$ 289.98	\$ -	\$ -	\$ 289.98
596.64.64.02 VEHICLE	\$ -	\$ -	\$ -	\$ -	\$ -
596.64.64.03 COMPUTER EQ	\$ 4,036.13	\$ -	\$ -	\$ 4,036.13	\$ 4,036.13
596.64.64.04 OFFICE EQUIPMENT	\$ 851.74	\$ -	\$ 851.74	\$ -	\$ 851.74
596.64.64.08 HOUS. PROJECT FURNITURE	\$ -	\$ -	\$ -	\$ -	\$ -
597.18.80.01 PHONE SYSTEM	\$ 25,000.00	\$ 2,500.00	\$ 22,500.00	\$ -	\$ 25,000.00
Refunds	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ 623,370.76	\$ 94,514.03	\$ 366,469.15	\$ 162,387.58	\$623,370.76

Figure 10 North Central WA RSN (Grant County)

Grant Mental Healthcare 1-1-01 thru 12-31-01

1.)

Grey areas are formula driven. Please do not change.

	Account Codes	Amount	2001 Total
a.) Revenues			
Revenues from MHD:			\$ 4,667,264.22
Outpatient--Non-Medicaid (State)		\$ -	
Outpatient--Prepaid Health Plan (PHP)	338	\$ 4,210,186.77	
Inpatient--Prepaid Health Plan (PHP) ¹		\$ 432,080.70	
Federal Mental Health Block Grant	333.99.58	\$ 24,996.75	
DMIO	334.64.02	\$ 1,600.00	
Local:			\$ 49,108.64
Maintenance of Effort	310-390	\$ 49,108.64	
Other Local Funds		\$ -	
Other:			\$ 295,988.18
Intergovernmental		\$ -	
Interest	361.11	\$ 128,591.87	
Other Reimbursements--Third Party Fees	389	\$ 12,963.63	
Direct Mental Health Federal Grants		\$ -	
Other Federal Grants		\$ -	
Clinic Fees		\$ 68,967.82	
Service Fees & Contracts		\$ 70,123.11	
Other Revenues		\$ 15,341.75	
Total		\$ 5,013,961.04	\$ 5,012,361.04

b.) Expenditures			
Direct Service Costs:			\$ 3,515,521.33
Outpatient Treatment	564.21	\$ 2,597,490.43	
Residential	564.22	\$ 12,621.33	
Employment	564.23	\$ 142,153.03	
Inpatient Treatment ¹	564.24	\$ -	
Crisis & Commitment Services	564.25	\$ 763,256.54	
ITA Judicial	564.26	\$ -	
Ombudsman	564.27	\$ -	
Other Direct Costs	564.28	\$ -	
Direct Service Support Costs:			\$ 336,133.23
Utilization Management and Quality Assurance	564.31	\$ 95,780.29	
Information Services	564.32	\$ 240,352.94	
Public Education	564.33	\$ -	
Other Direct Service Support Costs	564.34	\$ -	
Administrative Costs:			\$ 475,222.51
RSN Administration	564.11	\$ -	
Provider Administration	564.12	\$ 475,222.51	
Other Administrative Costs	564.13	\$ -	
Total		\$ 4,326,877.07	\$ 4,326,877.07

Administrative Costs as % of Total Payments ²	10%
Admin Contractual Limit	20%
Difference	10%

Direct Service Support Costs and Administrative Costs as % of Total Payments ²	17%
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1--Inpatient Revenues and Costs have been increased by the inpatient estimated utilization

2--Total Payments refers to revenues from the Mental Health Division (Outpatient, Inpatient and Block Grant)

Figure 11 North Central WA RSN (Okanogan County)

Okanogan County 1-1-01 thru 12-31-01

	Account Codes	Amount	2001 Total
Revenues			
Revenues from MHD:			\$ 4,362,328.00
Outpatient--Non-Medicaid (State)	334		
Outpatient--Prepaid Health Plan (PHP)	338	\$ 3,643,713.00	
Damages		\$ -	
Inpatient--Prepaid Health Plan (PHP) ¹	338	\$ 620,000.00	
E&T (Provided by the RSN)		\$ -	
Hospital (Provided by MHD)	170,000.00	\$ -	
Cash Payment made by MHD	450,000.00	\$ -	
Federal Mental Health Block Grant	333.99.58	\$ 98,615.00	
Local:			\$ 58,352.37
Maintenance of Effort	310-390	\$ 42,355.00	
Other Local Funds	310-390	\$ 15,997.37	
Other:			\$ 48,423.72
Intergovernmental	338	\$ -	
Interest	361.11	\$ 30,960.72	
Direct Mental Health Federal Grants	331	\$ -	
Other Federal Grants	333.97.78	\$ 17,463.00	
Other Revenues	389	\$ -	
		\$ -	
		\$ -	
Total		\$ 4,469,104.09	\$ 4,469,104.09
Expenditures			
Direct Service Costs:	564.20		\$ 2,326,407.17
Outpatient Treatment	564.21	\$ 1,895,147.00	
Residential	564.22		
Employment	564.23		
Inpatient Treatment ¹	564.24	\$ 160,000.00	
E&T (Provided by RSN)		\$ -	
Hospital (Provided by MHD)	160,000.00	\$ -	
Crisis & Commitment Services	564.25	\$ 195,599.00	
ITA Judicial	564.26	\$ -	
Ombudsman	564.27		
Other Direct Costs	564.28	\$ 75,661.17	
		\$ -	
		\$ -	
		\$ -	
		\$ -	
Direct Service Support Costs:	564.30		\$ 478,523.00
Utilization Management and Quality Assurance	564.31	\$ 76,290.00	
Information Services	564.32	\$ 385,787.00	
Public Education	564.33	\$ 16,446.00	
Other Direct Service Support Costs	564.34	\$ -	
		\$ -	
		\$ -	
Administrative Costs:	564.10		\$ 1,112,835.00
RSN Administration	564.11	\$ -	
Provider Administration	564.12	\$ 1,112,835.00	
Other Administrative Costs	564.13	\$ -	
		\$ -	
		\$ -	
		\$ -	
		\$ -	
Total		\$ 3,917,765.17	\$ 3,917,765.17
Administrative Costs as % of Total Revenues			
Admin Contractual Limit			24.90%
Difference			20.00%
			-4.90%
Direct Service Support Costs and Administrative Costs as % of Total Revenues			
			35.61%

Figure 12 North Sound RSN

	Account Codes	Amount	2001 Total
Revenues			
Revenues from MHD:			\$ 39,701,709.93
Outpatient--Non-Medicaid (State)	334	\$ -	
Outpatient--Prepaid Health Plan (PHP)	338	\$ 38,249,468.13	
Damages		\$ -	
Inpatient--Prepaid Health Plan (PHP) ¹	338	\$ 656,396.82	
E&T (Provided by the RSN)		\$ -	
Hospital (Provided by MHD)		\$ -	
Cash Payment made by MHD		\$ -	
Federal Mental Health Block Grant	333.99.58	\$ 722,544.98	
DMIO		\$ 73,300.00	
Local:			\$ 1,130,862.70
Maintenance of Effort	310-390	\$ -	
Other Local Funds	310-390	\$ 1,130,862.70	
Other:			\$ 712,552.26
Intergovernmental	338	\$ 319,041.96	
DDD enhancement		\$ 240,048.00	
Interest	361.11	\$ 153,462.30	
Direct Mental Health Federal Grants	331	\$ -	
Other Federal Grants	333.97.78	\$ -	
Other Reimbursements--Third Party Fees		\$ -	
Other Revenues	389	\$ -	
		\$ -	
		\$ -	
Total		\$ 41,545,124.89	\$ 41,545,124.89
Expenditures			
Direct Service Costs:	564.20	\$ -	\$ 35,252,991.16
Outpatient Treatment	564.21	\$ 20,579,746.53	
Residential	564.22	\$ 2,766,401.51	
Employment	564.23	\$ 473,237.10	
Inpatient Treatment ¹	564.24		
E&T (Provided by RSN)		\$ 4,527,483.99	
Hospital (Provided by MHD)	-	\$ -	
Crisis & Commitment Services	564.25	\$ 5,425,348.35	
ITA Judicial	564.26	\$ -	
Ombudsman	564.27	\$ 142,260.25	
Other Direct Costs - CHAP	564.28	\$ 1,259,141.97	
Other Direct Costs - MICA	564.29	\$ 79,371.46	
		\$ -	
		\$ -	
		\$ -	
Direct Service Support Costs:	564.30	\$ -	\$ 932,133.27
Utilization Management and Quality Assurance	564.31	\$ 827,930.98	
Information Services	564.32	\$ 78,141.69	
Public Education	564.33	\$ 26,060.60	
Other Direct Service Support Costs	564.34	\$ -	
		\$ -	
		\$ -	
Administrative Costs:	564.10	\$ -	\$ 6,073,660.78
RSN Administration	564.11	\$ 913,335.36	
Provider Administration	564.12	\$ 5,156,955.74	
Other Administrative Costs	564.13	\$ 3,369.68	
		\$ -	
		\$ -	
Total		\$ 42,258,785.21	\$ 42,258,785.21
Administrative Costs as % of Total Revenues			14.62%
Admin Contractual Limit			20.00%
Difference			5.38%
Direct Service Support Costs and Administrative Costs as % of Total Revenues			16.86%

	Account Codes	Amount		
Revenues				
Revenues from MHD:				\$ 1,559,113.81
Outpatient--Non-Medicaid (State)	334	\$ -		
Outpatient--Prepaid Health Plan (PHP)	338	\$ 1,387,657.85		
Damages		\$ -		
Inpatient--Prepaid Health Plan (PHP) ¹	338	\$ 26,547.04		
E&T (Provided by the RSN)		\$ -		
Hospital (Provided by MHD)		\$ -		
Cash Payment made by MHD		\$ -		
Federal Mental Health Block Grant	333.99.58	\$ 144,908.92		
DMIO		\$ 73,300.00		
Local:				\$ -
Maintenance of Effort	310-390	\$ -		
Other Local Funds	310-390			
Other:				\$ 153,462.30
Intergovernmental	338	\$ -		
DDD enhancement				
Interest	361.11	\$ 153,462.30		
Direct Mental Health Federal Grants	331			
Other Federal Grants	333.97.78	\$ -		
Other Reimbursements--Third Party Fees				
Other Revenues	389			
		\$ -		
		\$ -		
Total		\$ 1,785,876.11		\$ 1,712,576.11
Expenditures				
Direct Service Costs:	564.20			\$ 628,228.27
Outpatient Treatment	564.21	\$ 330,602.61		
Residential	564.22			
Employment	564.23	\$ 64,650.00		
Inpatient Treatment ¹	564.24			
E&T (Provided by RSN)		\$ 90,715.41		
Hospital (Provided by MHD)	-	\$ -		
Crisis & Commitment Services	564.25			
ITA Judicial	564.26	\$ -		
Ombudsman	564.27	\$ 142,260.25		
Other Direct Costs - CHAP	564.28			
Other Direct Costs - MICA	564.29	\$ -		
		\$ -		
		\$ -		
		\$ -		
Direct Service Support Costs:	564.30			\$ 630,944.46
Utilization Management and Quality Assurance	564.31	\$ 526,742.17		
Information Services	564.32	\$ 78,141.69		
Public Education	564.33	\$ 26,060.60		
Other Direct Service Support Costs	564.34	\$ -		
		\$ -		
Administrative Costs:	564.10			\$ 913,335.36
RSN Administration	564.11	\$ 913,335.36		
Provider Administration	564.12	\$ -		
Other Administrative Costs	564.13	\$ -		
		\$ -		
		\$ -		
		\$ -		
		\$ -		
		\$ -		
Total		\$ 2,172,508.09		\$ 2,172,508.09
Administrative Costs as % of Total Revenues				
Admin Contractual Limit				53.33%
Difference				20.00%
				-33.33%
Direct Service Support Costs and Administrative Costs as % of Total Revenues				
				90.17%
Executive Director - 1 FTE				
The Executive Director is responsible for administering the NSRSN according to the financial, contractual and clinical policies/standards approved by the Board of Directors			Total Salary + Benefits	
			\$ 110,736.41	
Assistant Director/Planner - 1 FTE				
The Deputy Director provides leadership and coordination within the NSRSN and amongst NSRSN staff related to clinical services, quality assurance, quality improvement, planning, development and implementation of specific projects.			\$ 87,788.40	
Contracts Compliance/Fiscal Manager - 1 FTE				
Contract development, negotiations, interpretation and compliance, provider monitoring, Manage fiscal department.			\$ 79,969.49	
Consumer Affairs/Tribal Manager - 1 FTE				
Supervises Ombuds and QRT, coordinates public relations, and oversees agency publications. Tribal Liaison functions include consulting and advocating, government to government, between the eight sovereign nations within the RSN.			\$ 80,673.85	
Office Manager - 1 FTE				
Provides administrative assistance to the NSRSN Executive Director, NSRSN Board of Directors, Advisory Board, and NSRSN professional staff. Supervise support staff.			\$ 55,014.58	
Secretary/Receptionist - 1.56 FTE				
Perform a variety of routine secretarial, data entry and support staff duties.			\$ 61,410.91	
Administrative Secretary - 2 FTE				
Perform a variety of advanced secretarial and administrative duties for the NSRSN professional staff.			\$ 86,121.84	
Information Specialist - 1 FTE				
Provides a variety of computer support services for the NSRSN including database design, data entry, report development and generation, Web page development and maintenance, desk top publishing and user support services.			\$ 45,930.37	
Fiscal Officer - 1 FTE				
Budgeting, financial reporting, financial management, and provider fiscal monitoring.			\$ 72,174.31	
Accounting Specialist - 1 FTE				
Payroll, Accounts Payable and Inpatient reconciliation and analysis.			\$ 67,812.64	
		Total Salary + Benefits	\$ 747,632.80	

Figure 13 Northeast WA RSN

NE Washington RSN
January through December, 2001

	Account Codes	2001 Total	Jan-Jun	Jul-Dec
Revenues				
Revenues from MHD:				
Outpatient--Non-Medicaid (State)	334	\$ -		
Outpatient--Prepaid Health Plan (PHP)	338	\$ 4,283,476.66	\$ 2,089,697	\$ 2,193,780
Damages		\$ -		
Inpatient--Prepaid Health Plan (PHP) ¹	338	\$ 1,049,229.68	\$ 498,057	\$ 551,173
E&T (Provided by the RSN)		\$ -		
Hospital (Provided by MHD)		\$ -	\$ -	
Cash Payment made by MHD		\$ -	\$ -	
Federal Mental Health Block Grant	333.99.58	\$ 71,965.00	\$ 8,093	\$ 33,872
Local:				
Maintenance of Effort	310-390	\$ 69,730.00	\$ 46,597	\$ 23,133
Other Local Funds	310-390	\$ -		
Other:				
Intergovernmental	338	\$ 11,673.06	\$ 11,673	
Interest	361.11	\$ 76,941.11	\$ 39,859	\$ 37,082
Direct Mental Health Federal Grants	331	\$ 9,583.20	\$ 9,583	
Other Federal Grants	333.97.78	\$ 1,292.00		\$ 1,292
Other Revenues	389	\$ 43,607.97	\$ 9,401	\$ 34,207
		\$ -		
		\$ -		
Total		\$ 5,617,498.68	\$ 2,742,960	\$ 2,874,539
Expenditures				
Direct Service Costs:				
Outpatient Treatment	564.21	\$ 2,455,102.43	\$ 1,183,703	\$ 1,271,399
Residential	564.22	\$ 238,385.10	\$ 76,739	\$ 161,646
Employment	564.23	\$ 31,644.76	\$ 15,230	\$ 16,415
Inpatient Treatment ¹	564.24	\$ 158,909.00	\$ -	\$ 158,909
E&T (Provided by RSN)		\$ -	\$ -	
Hospital (Provided by MHD)		\$ 357,773.29	\$ 198,864	\$ 158,909
Crisis & Commitment Services	564.25	\$ 230,747.47	\$ 96,505	\$ 134,242
ITA Judicial	564.26	\$ 440.00	\$ 110	\$ 330
Ombudsman	564.27	\$ 19,114.00	\$ 8,122	\$ 10,992
Other Direct Costs	564.28	\$ 128,732.50	\$ 128,256	\$ 477
		\$ 3,620,849	\$ 1,707,530	\$ 1,913,319
		\$ -		
Direct Service Support Costs:				
Utilization Management and Quality Assurance	564.31	\$ 211,307.23	\$ 80,045	\$ 131,262
Information Services	564.32	\$ 292,539.31	\$ 135,809	\$ 156,730
Public Education	564.33	\$ 2,408.75	\$ 1,726	\$ 683
Other Direct Service Support Costs	564.34	\$ -		
		\$ 506,255.29	\$ 217,580	\$ 288,675
		\$ -		
Administrative Costs:				
RSN Administration	564.11	\$ 147,140.00	\$ 73,505	\$ 73,635
Provider Administration	564.12	\$ 729,884.88	\$ 367,957	\$ 361,928
Other Administrative Costs	564.13	\$ -		
		\$ 877,024.88	\$ 441,462	\$ 435,563
		\$ -		
		\$ -		
Total		\$ 5,004,128.72	\$ 2,366,572	\$ 2,637,557
Summary of Costs as % of Total Revenues				
Administrative Costs as % of Total Revenues		15.61%	16.09%	15.15%
Admin Contractual Limit		20.00%	20.00%	20.00%
Difference		4.39%	3.91%	4.85%
Direct Service Support Costs and Administrative Costs as % of Total Revenues				
		24.62%	24.03%	25.19%

Activities Coded to Administration are the following:

Accounts Payable
Accounts Receivable
Payroll
Financial Intakes
Contract Management
Planning/Reporting
Corporate Compliance
Health & Safety
Facilities Maintenance
General Clerical Support

Figure 14 Peninsula RSN



PENINSULA REGIONAL SUPPORT NETWORK

Providing Mental Health Services in
Clallam, Jefferson, and Kitsap Counties

Memorandum

EXECUTIVE BOARD

Clallam County

Mike Chapman
Mike Doherty
Stelle Tharinger

Jefferson County

Glen Huntingford
Dan Tittmess
Richard E. Wojt

Kitsap County

Jan Angel
Tim Botkin

To: Chris Winans,
From: Anders Edgerton, Regional Administrator
Date: May 30, 2002
Re: Administrative Cost Study

Attached are the cost study figures from the PRSN's two largest providers. I have not been able to get responses from our smaller providers yet, but will continue to try.

If you need additional information regarding the administrative costs of the PRSN itself, I can try to engaged in by each staff person by the hour.

ADVISORY BOARD Let me know if you need me to pursue either the small providers or categorization of RSN admin. Thanks, and sorry for the delay.

Clallam County

Lori Benton
Arlene Engel
Vienna Medina
Mary Robuck
Betty Scott

AE/lw

Jefferson County

Becky Anderson
James Hermanson
Laurie Mattson
Maggia Metcalfe
Laura Lee Natri

Kitsap County

Jack Edgerton
Molly Gordon
Lois Hoell. RN, MS
Dorothea Lintz
Claudia Sieipness

ADMINISTRATOR

Anders Edgerton

Figure 15 Pierce County RSN

Winans, Christina

From: Esther Mbajah [EMBAJAH@co.pierce.wa.us]
Sent: Friday, May 24, 2002 9:07 AM
To: WinanCA@dshs.wa.gov
Subject: Re: Administrative Reduction Study

As we discussed, the RSN and provider admin. expenditures provided in the State & Revenue Expenditure Report are accurate. Activities included in this line item are

- RSN Administration;
- Central county government fixed costs (audit services, insurance, facility maintenance, PC Maintenance, Data processing, routing and delivery, Performance audit, personnel support, etc)
- planning;
- coordination,
- contracting,
- fiscal and contract monitoring,
- accounting,
- general clerical support,
- legal,
- office space/facility,
- and similar operating costs

RSN Administration - Costs of operating the RSN. Activities include . Also includes allowable costs of services provided by those activities normally identified with central county government that have been allocated to the RSN using an established methodology consistent with the approved cost allocation plan.

>>> "Winans, Christina" <WinanCA@dshs.wa.gov> 05/17/02 04:04PM >>>
I still have not received the information requested for the Administrative Reduction Study from your RSN. Your information is essential to the project. Please send it in to me by Wednesday, May 22. Thank you for your cooperation.

Chris Winans
Mental Health Division
(360) 902-0844

Figure 16 Southwest RSN

SOUTHWEST RSN/PHP

1952 Ninth Avenue, Longview, WA 98632

FOR CALENDAR YEAR 2001

	ACCOUNT CODES	AMOUNT	2001 TOTAL
REVENUES:			
Revenues from MHD:			5,743,433.92
Outpatient--Non-Medicaid (State)	334	427,739.58	
Outpatient--Prepaid Health Plan (PHP)	338	4,081,917.67	
Damages		-	
Inpatient--Prepaid Health Plan (PHP)1	338	1,122,206.67	
E&T (Provided by the RSN)		-	
Hospital (Provided by MHD)	943,154.76		
Cash Payment made by MHD	179,051.91		
Federal Mental Health Block Grant		111,570.00	
Local:			31,284.00
Maintenance of Effort (County Millage)	310-390	31,284.00	
Other Local Funds	310-390	-	
Other:			595,480.07
Intergovernmental (DCFS)		73,466.05	
Interest	338	152,195.53	
Third Party Fees (not reported in Jul-Dec 2001)	361.11	213,449.38	
Direct Mental Health Federal Grants	331	-	
Other Federal Grants	333.97.78	-	
Other Revenues (DMIO)	389	6,000.00	
Items not reported:		-	
Agency share of expense for MIS (Info service)		32,450.00	
County millage --Non MOE		117,919.11	
TOTAL REVENUES		6,370,197.99	6,370,197.99
EXPENDITURES:			
Direct Service Costs:			4,348,924.64
Outpatient Treatment	564.21	2,880,179.22	
Residential	564.22	105,479.00	
Employment	564.23	-	
Inpatient Treatment ¹	564.24	971,690.09	
E&T (Provided by RSN)		-	
Hospital (Provided by MHD)	971,690.09	-	
Crisis & Commitment Services	564.25	384,841.01	
ITA Judicial	564.26	5,298.00	
Ombudsman	564.27	1,437.32	
Other Direct Costs	564.28	-	
Direct Service Support Costs:			425,179.35
Utilization Management and Quality Assurance	564.31	75,185.89	
Information Services	564.32	341,173.91	
Public Education	564.33	8,819.55	
Other Direct Service Support Costs	564.34	-	
Administrative Costs:			648,975.58
RSN Administration	564.11	220,024.25	
Provider Administration	564.12	428,951.33	
Other Administrative Costs	564.13	-	
TOTAL EXPENDITURES:		5,423,079.57	5,423,079.57
Administrative Costs as % of Total Payments ²		10%	
Admin Contractual Limit		20%	
Difference		10%	
Direct Service Support Costs and Administrative Costs as % of Total Payments ²			

1--Inpatient Revenues and Costs have been increased by the inpatient estimated utilization.

Figure 17 Spokane County RSN



TO: Christina Winans, Mental Health Division

FROM: Ray P. Geraghty, Business Manager

RE: RSN Administrative Cost Survey

DATE: May 14, 2002

Thank you for your extension until May 15th. We received the response from Spokane Mental Health today and are forwarding you the information we gathered so far.

First, the Cost Allocation Methodology that was submitted to your office on February 15th of this year was the starting place to respond to this administrative survey. A number of our Outpatient providers submitted methodology that showed how Administrative costs were separated from Direct Service and Direct Support costs.

Second, we received narratives from our sample agencies that described their Administrative activities. It was difficult for the agencies to find a direct correlation between RCW or WAC requirements. However, there was reference to specific requirements in our subcontract with them. We are attaching information from the following agencies for your review: Catholic Charities, Children's Home Society, Family Services, Hope Partners, Lutheran Social Services, Native Project and Spokane Mental Health.

Third, we continued our figures in our Revenue and Expense Reports sent to you for the January 1, through June 30, 2001 and July 1, through December 31, 2001 time frame:). We have prepared a schedule showing the Administrative cost, Direct Services costs, Direct Support costs, Total payment to each provider and percentage of Administrative to total payment. You will note that the overall Provider administrative percentage is 7% and the RSN administrative percentage is 3% for a total of 10%. We have been able to stay within this 10% because the Inpatient funds paid by the Mental Health Division does not have any provider administrative costs associated with it. Also in reality, the agencies would have higher administrative costs but these are being paid for from Other Agencies funds. However, based upon our actual payments and the specific amount paid for administration we have kept the total administrative percentage to approximately 10%. We have included a footnote that describes the RSN duties-on this schedule and have also attached our original submission of RSN Administrative backup for the Cost Allocation Methodology requirement.

I am hopeful that this specific provider information will be instrumental in completing your overall Administrative Cost Survey for all the RSN's.

Attachments

Cc Kasey Kramer, Director Community Services and Housing and Community Development
Rafaela Ortiz, RSN Administrator

Figure 18 Thurston-Mason RSN

January - December 2001

**Thurston Mason RSN Administrative
Costs**

Personnel/Salaries/Benefits	288,106
Office Supplies	415
Copier Supplies	539
Advisory Board Supplies	207
Other Supplies	1,339
Minor Equipment	184
Communications (Lang. Line, Cell)	1,437
Communications (Potomoc)	4,933
Travel	5,014
Training	2,859
Rentals/Copier	2,351
Repairs	2,015
Printing	669
Association Dues	1,612
Advertising (employment)	4,747
Phones	1,270
sub total	<u>317,697</u>
Department Overhead	118,993
Total	436,690

317,697

Planning, contracting, monitoring, program
management, general clerical support

118,993

Payroll, accounting, facilities, allocated
county services(phones, LAN, insurance risk
per allocation plan).

Figure 19 Thurston-Mason RSN (continued)

Thurston Mason RSN	Total Provider Administration Reported CY2001
Agency	
Behavioral Health Resources	
Admin/Board Functions	152,073
Accounting/Info Systems/Develop	317,927
Human Resources/payroll	128,993
Quality Assurance	20,138
Total	619,131
Clubhouse	
Audit/Financial Statements	3,800
.41 Director (salary/benefits)	7,918
Total	11,718
Housing Authority Mason County	
Salary/benefits	6,600
Housing Authority Thurston County	
Accounting	82
Conferences/Meetings	390
Dues/Subscriptions	22
Software	25
Insurance	18
Maintenance	35
Supplies	210
Postage	349
Printing	72
Phone	305
Travel	341
Total	1,849
St Peter Hospital	
Salary/benefits	47,689
Program planning, contracting	
SSHMS	
Salaries/benefits	140,387
Professional Services	26,315
Facilities	13,064
Communications	3,427
Staff Development	539
Supplies	6,162
Other (allocated)	16,532
Total	206,426
Senior Svcs	
Planning, supervision, monitoring	6,590
Accounting	4,782
Rent	875
Communications	120
Total	12,367
Total Provider Admin Reported CY2001	905,780

Figure 20 Timberlands RSN

<i>TIMBERLANDS REGIONAL SUPPORT NETWORK</i>					
<i>REVENUES AND EXPENDITURES</i>					
<i>JANUARY 1, 2001 THROUGH DECEMBER 31, 2001</i>					
Revenues	Account Codes		Amount		2001 Total
Revenues from MHD:					\$ 5,374,666.54
Outpatient--Non-Medicaid (State)			\$ 743,309.00		\$ -
Outpatient--Prepaid Health Plan (PHP)			\$ 3,519,255.11		\$ -
Inpatient--Prepaid Health Plan (PHP) ¹			\$ -		\$ -
E&T (Provided by the RSN)			\$ -		\$ -
Hospital (Provided by MHD)			\$ 303,075.33		\$ -
Reconciliation Payment (Provided by MHD)			\$ 727,265.08		\$ -
Federal Mental Health Block Grant			\$ 81,762.02		\$ -
Local:			\$ -		\$ -
Maintenance of Effort			\$ 5,000.00		\$ 5,000.00
Other Local Funds			\$ -		\$ -
Other:					\$ 237,972.65
Intergovernmental			\$ 73,503.32		\$ -
Interest			\$ 104,445.62		\$ -
Other Reimbursements--Third Party Fees			\$ 60,023.71		\$ -
Direct Mental Health Federal Grants			\$ -		\$ -
Other Federal Grants			\$ -		\$ -
Other Revenues			\$ -		\$ -
Total			\$ 5,617,639.19		\$ 5,617,639.19
Expenditures					
Direct Service Costs:	564.20				\$ 3,982,451.18
Outpatient Treatment	564.21				
RSN			\$ 11,050.44		
Provider			\$ 3,013,451.37		
Residential	564.22		\$ 510.00		\$ -
Employment	564.23		\$ 25,467.00		
Inpatient Treatment ¹	564.24		\$ 311,926.33		\$ -
E&T (Provided by RSN)					\$ -
Hospital (Provided by MHD)					\$ -
Reconciliation Amount (Provided by MHD)					\$ -
Crisis & Commitment Services	564.25				
RSN			\$ 56,702.50		
Provider			\$ 536,198.72		
ITA Judicial	564.26				\$ -
Ombudsman	564.27		\$ 27,144.82		\$ -
Other Direct Costs	564.28		\$ -		\$ -
Direct Service Support Costs:	564.30				\$ 281,033.48
Utilization Management and Quality Assurance	564.31				
RSN			\$ 63,215.01		
Provider			\$ 39,463.00		
Information Services	564.32				
RSN			\$ 2,763.01		
Provider			\$ 115,964.14		
Public Education	564.33				
RSN			\$ 32,795.81		
Provider			\$ 26,832.51		
Other Direct Service Support Costs	564.34				\$ -
Administrative Costs:	564.10				\$ 905,858.55
RSN Administration	564.11		\$ 309,188.34		\$ -
Provider Administration	564.12		\$ 596,670.21		
Other Administrative Costs	564.13		\$ -		\$ -
Total			\$ 5,169,343.21		\$ 5,169,343.21

RSN Administration		Required by:	Amount	Percentage
	Contract Monitoring	Various WACs	3,247	1.05%
	Advisory & Governing Boards	WAC388-865-0222	6,493	2.10%
	Writing Required Plans	WACs	16,201	5.24%
	Provider Meetings	MHD Contract	6,493	2.10%
	QRT Supervision	WAC388-865-0350	1,082	0.35%
	Fiscal Management	MHD Contract	59,457	19.23%
	General Administration	MHD Contract	216,215	69.93%
	Travel to necessary meetings, contract			
	preparation, staff supervision, equipment,			
	support staff		309,188	100.00%

APPENDIX B

BARS MANUAL EXCERPT AND RSN DATA ANALYSIS

Figure 21 BARS Manual Excerpt

BARS Manual

CLASSIFICATION OF EXPENDITURES BY OBJECT

Definitions

- 101** **SALARIES AND WAGES.** Amounts paid for personal services rendered by employees in accordance with the rates, hours, terms and conditions authorized by law or stated in employment contracts. This category also includes overtime, hazardous duty or other compensation construed to be salaries and wages. Subdivide this account as necessary for local purposes (i.e., regular pay, overtime pay, sick pay (employee related), sick pay (non-employee related), vacation pay, shift differential, and other taxable compensation).

Note: Personal Services do not include fees and out-of-pocket expenses for professional or consultant services performed on assignments. Such services are properly classified as *Other Services and Charges*.

- 201** **PERSONNEL BENEFITS.** Those benefits paid by the employer as part of the conditions of employment. Subdivide as needed for local purposes. Examples:

Insurance	Unemployment Compensation
OASI (FICA) - Employer-paid portion	Uniforms and Clothing Pension Retirement
Workmen's Compensation	

- 29** **Pension and Disability Payments.** Payments by self-insurance and trust funds to retired or disabled employees or their beneficiaries. Use other 20 subobjects for employer payments to pension systems and to state agencies for unemployment and disability insurance. Use subobject 49 for payments from self-insurance funds for property and liability claims.

1 Required for reporting purposes.

EFF DATE	SUPERSEDES	BARS MANUAL:	VOL	PT	CH	PAGE
01-01-02	01-01-99		1	1	4	56

CLASSIFICATION OF EXPENDITURES BY OBJECT

Definitions

301 **SUPPLIES.** This is a basic classification of expenditures by object for articles and commodities purchased for consumption or resale.

31 **Office and Operating Supplies.** Articles purchased directly and consumed by operating departments.

Examples:

Office Supplies	Feed for Animals
Forms	Food for Human Consumption
Agricultural Supplies	Household and Institution Supplies
Chemicals	Laboratory Supplies
Cleaning and Sanitation Supplies	Lubricants
Clothing	Medicines
Construction Materials and Supplies	Paints and Painting Supplies
Drugs	Plumbing Supplies
Electrical Supplies	Publications

32 **Fuel Consumed.** Include fuel used to generate power, fuel for heating, and fuel for operating engines and vehicles. See subobject 34 for fuel purchased for resale. Use subobject 47 for electricity and natural gas.

Examples:

Coal	Nuclear Fuel
Diesel Fuel	Propane Gas
Fuel Oil	Wood
Gasoline	

33 **Power, Water, Gas Purchased For Resale**

34 **Supplies Purchased for Inventory or Resale**

Examples:

Internal Service Fund items such as automotive repair parts	Central Stores
Code Books, Maps	Fuel
Concession Supplies	Grave Markers and Liners
Library Books and Other Library Materials	

(if capitalized, see subobject 64)

35 **Small Tools and Minor Equipment**

1 Required for reporting purposes.

EFF DATE	SUPERSEDES	BARS MANUAL:	VOL	PT	CH	PAGE
01-01-02	01-01-99		1	1	4	57

CLASSIFICATION OF EXPENDITURES BY OBJECT

Definitions

401 OTHER SERVICES AND CHARGES. This is a basic classification by object for services other than personal services which are needed by the government. Such services may be provided by a governmental agency or by private business organizations. For interfund payments for services see object 90. The following are principal types of services and charges included in this object classification:

41 Professional Services

Examples:

Accounting and Auditing	Management Consulting
Engineering and Architectural	Legal
Medical, Dental and Hospital	Custodial Cleaning
Computer Programming	Messenger

42 Communication

Examples:

Telephone	Postage
On-Line Charges	Facsimile

43 Travel

Examples:

Per Diem	Meals
Lodging	Mileage

44 Advertising

45 Operating Rentals and Leases. See subobject 66 for the distinction between operating and capitalized leases or rentals.

46 Insurance

Examples:

Fire	Theft
Other Casualty	Liability
Bonds	

Note: Use object 20 for insurance applicable to personnel benefits.

47 Utility Services

Examples:

Gas	Electricity
Water	Waste Disposal
Sewer	Cable TV

Note: Use subobject 33 for power, water or gas purchased for resale.

1 Required for reporting purposes.

EFF DATE	SUPERSEDES	BARS MANUAL:	VOL	PT	CH	PAGE
01-01-02	01-01-99		1	1	4	58

CLASSIFICATION OF EXPENDITURES BY OBJECT

Definitions

48 **Repairs and Maintenance.** Contracted (external) labor and supplies furnished by the contractors.

See object 60 for construction contracts.

Examples:

Buildings

Structures

Improvements

Equipment

49 **Miscellaneous**

Examples:

Court Costs and Investigations

Judgments and Damages

Dues, Subscriptions and Memberships

Registration

Information and Credit Services

Laundry and Other Sanitation Services

Filing, Recording and Witness Fees

Printing and Binding

Contractual Services not Otherwise Classified

Tuition

EFF DATE
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Figure 22 RSN Data Analysis

Administrative Expenditure - Current Level							
Calendar Year 2001							
	Revenue			Administrative Expenditure			
	Federal and State	Local	Total Revenue	RSN Admin	Provider Admin	Division Admin	Total Admin.
MHD Headquarter	5,872,499	0	5,872,499	0	0	5,872,499	5,872,499
Other Community Mental Health	30,672,597	746,826	31,419,424	0	0	0	0
Chelan Douglas RSN	5,487,035	234,280	5,721,315	282,532	369,242	0	651,774
Clark RSN	16,731,367	1,403,247	18,134,614	973,058	904,858	0	1,877,916
Grays Harbor RSN	5,255,752	163,903	5,419,655	116,987	870,008	0	986,995
Greater Columbia RSN	40,337,481	891,670	41,229,151	973,008	4,335,439	0	5,308,447
King RSN	94,404,410	3,676,234	98,080,644	2,273,443	11,434,305	0	13,707,749
North Central RSN	9,985,190	69,894	10,055,084	165,282	1,682,572	0	1,847,854
Northeast RSN	5,427,220	190,279	5,617,499	147,140	729,885	0	877,025
North Sound RSN	40,260,800	1,284,325	41,545,125	913,335	5,156,956	0	6,070,291
Peninsula RSN	18,526,341	284,108	18,810,449	258,861	2,904,725	0	3,163,586
Pierce RSN	51,273,529	15,611,681	66,885,210	2,303,427	4,807,084	0	7,110,511
Southwest RSN	5,822,900	547,298	6,370,198	220,024	428,951	0	648,976
Spokane RSN	28,812,363	1,475,160	30,287,523	916,511	2,279,357	0	3,195,868
Thurston Mason RSN	12,447,771	638,922	13,086,693	436,690	905,780	0	1,342,470
Timberland RSN	5,448,170	169,469	5,617,639	309,188	596,670	0	905,859
Total	376,765,423	27,387,297	404,152,720	10,289,488	37,405,832	5,872,499	53,567,818
Percentage of Total Funding	93.22%	6.78%	100.00%	2.55%	9.26%	1.45%	13.25%
10 Percent of Revenue	\$40,415,272.02						
Current Level Expenses	\$53,567,818.05						
Amount to Be Reduced	\$13,152,546.03						
Percentage to Be Reduced	3.25%						